C2700-1 3/22/83

Automotive News

March 21, 1983

© Entire contents copyright, 1983, by Crain Automotive Group, Inc. All rights reserved. Reproduction or use of editorial content in any manner without permission is strictly prohibited.

58th year—$40 per year, $1.00 per copy

Sales gains projected for 1983 and 1984

Vehicle outlook brightens

By Kathleen Hamilton
Financial Editor

The U. S. auto and light-truck sales outlook for 1983 and 1984 has improved dramatically because of the promise of declining oil prices.

New-car sales in the U. S. are now forecast to reach 9.01 million units in 1983 and 10.34 million units in 1984, according to the most recent AUTOMOTIVE NEWS World Outlook (ANWO).

These figures represent major gains over 1982's sales of 7.98 million new cars, as well as over the levels which had been forecast just three months ago. The U. S. hasn't seen a 10 - million car year since 1979.

Even better news for Detroit: It looks as though domestics will be taking a bigger share of that expanding market in both years.

ANWO expects the U. S. car makers to capture 75.36 percent of their home market in 1983 and 77.19 percent in 1984. By contrast, they had just 72.18 percent of the market in 1982.

This is the first time in five quarters that the ANWO U. S. sales forecast has been upgraded. ANWO, a joint venture of AUTOMOTIVE NEWS and Data Resources, Inc., previously had been trimming projections as the economic news worsened.

The oil price decline was the catalyst the economy was waiting for, according to John Hammond, director of automotive services for Data Resources.

"Until mid-February, there was no catalyst in sight," Hammond said. Income-tax returns and the July 1 tax decrease held a little promise, but nothing like an oil-price decline.

It promises to reduce inflation and interest rates, increase economic activity and get people back to work more quickly, Hammond said.

The same effect is not expected in Europe, where nations have reacted to declining fuel prices with plans to increase fuel taxes.

The rosy forecast for the U. S. assumes similar taxes will not be instituted here. But even if they are, the outlook still would be better than had been expected just three months ago.

The reason is that the revenue from such taxes would lower the federal deficit, and that would lower interest rates, Hammond explained.

A 9.01-million-car 1983 would represent a growth rate of 12.9 percent, or an extra 1.03 million units over 1982. It is 400,000 units more than forecast in December.

The entire 1.03 million increase is expected to be gained by the domestic makers, who are benefitting from their capacity to build large and intermediate-sized cars — just the cars that buyers want now that gasoline prices are falling.

With the Japanese locked in to 1.68 million cars a year until at least mid-1984, imports are expected to hold steady at 2.22 million sales this year. The Accords that Honda is building in Ohio are considered domestics.

Because demand is shifting to larger cars, makers will have to

Continued on Page 7, Col. 1

New from Mitsubishi

Chariot chases the Prairie

Mitsubishi is pitting its Chariot against Nissan Prairie. The Chariot is 169 inches long, 60 inches high and has a wheelbase of 103 inches. The six-seater is built on a lengthened version of the Tredia underbody and is being assembled at Okazaki. Story on Page 6.

VWs bought, imported, federalized and tagged at $6,995

Mexican Beetles find home in U. S.

By Matt De Lorenzo
Los Angeles Reporter

LOS ANGELES.—The Beetle is back and Volkswagen of America is not too happy about it.

The venerable Bug, a fixture on the American automotive landscape for three decades, was discontinued in the U. S. by VW in 1977, although convertibles were sold until 1979.

In recent months, however, the Beetle has been scuttling across the border from Mexico, due to the precipitous drop in that country's currency and the desire of persons to profit both legally and illegally from the situation. The Beetle is still produced in Mexico.

"We don't encourage anyone to import the Mexican Beetle," a VW spokesman said. "The car is not designed to meet federal and state safety and emission standards."

Lenny Macchiarella thinks differently. He and his partner, Danny Najor, have established a firm ironically called The People's Car Co. in Solana Beach, Calif., to import, federalize and distribute Mexican-built VW Beetles in this country.

Macchiarella, whose operation is legitimate in the eyes of U. S. Customs, and others, who aren't, are beneficiaries of the economic turmoil in Mexico fostered by declining oil prices.

According to John Lipscomb, who works in the foreign exchange department of Bank of America, the peso was trading at 28 to the dollar a little more than a year ago. By spring, that rate had declined to 48 to the dollar and last summer, when the government stopped supporting the peso, it dropped to 115.

In September, the Mexican government suspended buying and selling the peso and the external market price fluctuated between 100 and 145 pesos to the dollar. On Dec. 20 of last year, the government resumed buying and selling the peso and its value declined even further hitting a low of 162 to the dollar.

• This sudden and dramatic drop in the peso meant that commodities in Mexico have become cheap—dirt cheap.

"Prices never adjusted as fast as the peso's decline," Lipscomb said, adding that a car which had sold for $4,500 to $4,700 when the peso was trading at 70 to 1 suddenly cost $2,500 when the peso fell to 130.

It was about that time last November that Macchiarella, an auto wholesaler and dealer in classic cars for the past 15 years, noticed that there were new VW Beetles running around Tijuana.

When he found how cheaply he could purchase the cars as a result of the peso's devaluation —he wouldn't say how cheaply —he and his partner decided they could make a buck by bringing the cars up to U. S. standards and selling them.

Working through Mexican intermediaries, since the government there takes a dim view of U. S. residents purchasing cars, Macchiarella obtained his first car and brought it across the border where he was promptly stopped by U. S. Customs.

"Customs at first said we couldn't bring it in because it didn't comply," Macchiarella said. "We posted a bond and federalized the car." The People's Car Co. was in business.

The conversion isn't cheap. Macchiarella said it costs about $2,500 per vehicle and extensive work is done.

"We resupport the bumpers, change all the windows to DOT-

Continued on Page 6, Col. 3

New-car supply falls to 41 days

Lean import stocks hamper sales

By Richard A. Wright
Assistant Managing Editor

The inventory of new imported cars in the U. S. dropped sharply during February and by March 1 was so lean that it was holding a lid on sales of some makes.

While total sales of imported cars were up during February compared with January, those hot-selling nameplates with short inventories were down. The gains were notched by lines with sufficient stock to meet the increased demand during February.

The inventory of new imported cars March 1 totaled 316,745, a lean 41-day supply, compared with 355,603 new cars, a 49-day stockpile, a month earlier.

The inventory of new imported pickup trucks increased during the month, however, to 93,593 March 1, an 83-day supply, compared with 92,705 a month earlier, a 73-day stock.

The combined imported car and truck inventory March 1 totaled 410,338, a 46-day supply, compared with 448,308 a month earlier, a 52-day stockpile.

In shortest supply was Toyota, with a 19-day stock of new cars March 1. With such a lean supply, Toyota was outsold during February by Nissan, which had a much healthier 42-day stock.

Other nameplates with inventories lean enough to result in lower sales during February than in the preceding month included Honda, 21 days; Mercedes-Benz, 25 days; Jaguar, 26 days; Porsche, 26 days, and BMW, 33 days.

Most of the inventory cut was accounted for by the Japanese-built nameplates. The supply of new Japanese-built cars dipped to 216,199 units March 1, a 34-day supply, compared with 258,936 a month earlier, a 43-day stockpile.

Japanese cars and their March 1 days-supply figures were: Toyota, 19; Honda, 21; Subaru, 30; Nissan, 42; Mazda, 46; Mitsubishi, 84, and Isuzu, 108. In addition, Chrysler Corp. had a 78-day supply of Mitsubishi-built cars, including Dodge Colt, 70; Plymouth Colt, 71; Sapporo, 85, and Challenger, 100.

The stockpile of West German-built new cars March 1 totaled 51,805, a 60-day supply, compared with 52,915 a month earlier, a 75½-day stock.

The German cars and their March 1 days-supply figures were: Mercedes-Benz, 25; Porsche, 26; BMW, 33; Volkswagen (imports only), 84, and Audi, 119. VW also had a 93-day supply of U. S.-built Rabbits.

Days-supply figures for other European lines March 1 included: Jaguar, 26; Volvo, 41; Saab, 50; Alfa Romeo, 129; Peugeot, 133; Fiat/Lancia, 246, and Renault, 285. (The Renault stock figure did not include a 53-day supply of its U. S.-built Alliance.)

breaking news

Court finds jurisdiction in Toyota-IRS tax case

LOS ANGELES.—U. S. District Judge Cynthia Hall has ruled that her court has jurisdiction in the dispute between the IRS and Toyota Motor Corp., of Japan, over access to Toyota's price and cost data on cars built and sold in Japan. As a result, Toyota must appear in court April 11 to explain why it will not release the information requested by the IRS in its investigation of the 1975-78 income tax liability for TMC's U. S. subsidiary.

Subaru recalls 324,605 cars

PENNSAUKEN, N. J.—Subaru of America is voluntarily recalling 230,041 of its 1980 and 1981 cars for correction of a possibly defective fuse block that could lead to headlight failure. It also is recalling 94,564 of its 1981s and 1982s with manual transmissions and maintenance-free batteries. Chafing may cause a short, it said. A total of 45 complaints on both matters have been received by the company. No injuries or fatalities have been reported, Subaru said.

AN JAN84
MD2081&CNGLIAC GE 31205 92001J
ACQ EDITOR
CONGRESSIONAL INFO SERV
SUITE 800
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

New products generate interest

Optimistic mood prevails at Geneva

By Richard Feast
European Editor

GENEVA. — It would take a couple of months to talk to all the leading executives from the European auto industry. They are scattered around the continent, they are away from the office, they are busy, they are shielded by secretaries' secretaries.

In Geneva for the international auto show it would take a couple of days. The concentration of decision-makers is daunting, but it is fertile ground for information gatherers.

Of course, auto shows in Europe are all like that. Some are just more equal than others.

The Geneva show is an annual event. Others are held every other year. The Geneva show is held in the early spring, before the hordes of holiday-makers in coaches arrive.

Geneva is a cosmopolitan and sophisticated city, elegant and expensive. It is clean, it is multi-lingual, everything seems to work. It is just a very pleasant place to be.

Some of which may explain a result from a survey carried out at last year's exhibition. There was a big increase in the number of visitors—due entirely to industry professionals, who accounted for a fifth of the total.

• This year's show was essentially serious in tone. But there was definitely not as much gloom as in recent years over continuing low sales.

The belief is widespread that the U. S. economy is about to pick up steam and drag Europe along in its train.

Industry generally welcomed the results from the West German elections a few days before. In the words of Dr. Wolfgang Habbel, chairman of Audi, it had two positive effects.

One was that the election was over. A clear-cut result would remove much of the doubt and uncertainty over the direction of the German economy — still the powerhouse of Europe.

The second was that the result was how it was. Most executives believe that the result of the election will stimulate demand.

Already, in the past few months demand for passenger cars in the Federal Republic—the largest market in Europe—had begun to pick up. The trend is upwards, accelerating as the year progresses.

• The Geneva show was a good example of the way in which new products are being used to attract buyers. The newcomers were the Austin/MG Maestro (which will not be exported until September), Peugeot 205, Fiat Uno, Renault 11 hatchback, the angular Land Rover One-Ten and the elegant Audi 100 Avant.

One note of amusement for visitors concerned the Peugeot 205. Automobiles Peugeot insists it is a product of PSA's central styling department. But Pininfarina, who has styled so many Peugeots in the past, says it is his handiwork and had a model on the stand to underline it.

BMW showed the anticipated Cabriolet version of the new 3-series (to be made by Baur), while Citroen followed the trend with a similar format for its small Visa. The trend is becoming catching, what with convertible versions of the Talbot Samba, VW Golf and Fiat Ritmo

Continued on Page 52, Col. 4

Europeans to unveil host of new models

GENEVA.—There might have been a lot of new product on display at the international auto show here, but there are a lot more new cars to come from European auto makers before the year is out.

The major event of the year must be the introduction of the replacement for the best-selling Volkswagen Golf (Rabbit). That will debut at the Frankfurt show in September, production having begun after the summer break in new and flexible facilities at the Wolfsburg headquarters.

With production of Golf running down, and VW being pressed hard for market lead by usurper Opel, VW will be indulging in a good deal of promotional work to stay ahead in the meantime.

Another debutante at the Frankfurt show is expected to be by VW's sister company, Audi. A four-wheel-drive and turbocharged version of its dazzling 100 is scheduled.

Two other German auto makers will introduce new power units at the same time—Daimler-Benz the Cosworth-headed 220 for its recently introduced small sedan and Porsche a 911 with more power and economy.

Before then, in the spring, BMW will try to win European customers over to the Eta engine concept, fitted to the 5-series sedan.

Ford's program embraces the Orion (an Escort with a full trunk) in the summer and a face lifted Fiesta toward the end of the year.

In the UK, Jaguar will unveil its convertible XJ-S this summer, but of perhaps more significance will be its engine. It is an all-new slant-six known as AJ6. Eventually the unit will be available with standard and high performance May Fireball cylinder heads. The power version is expected to feature four valves per cylinder.

The system may not be new—competition engines have used it for years—but it is noticeable for the number of companies now adopting it: Saab, Mercedes-Benz and Volvo.

There will be plenty of activity from Italian makers, too. For Fiat the major launch will be the replacement for the dated-looking Mirafiori sedan and wagon.

This will debut in the fall, a derivative from the Ritmo (Strada) hatchback but with a trunk. The rumored name for the vehicle is Elba.

Another Fiat newcomer is be-

Continued on Page 52, Col. 1

VW is ousted by Opel as Swiss sales leader

GENEVA.—Opel executives at the international auto show here were proudly wearing "No. 1" badges. Nothing vulgar, of course, just a discreet enamel lapel badge.

It was in celebration of the fact that last year Opel became the biggest selling nameplate in this, the most international of European auto markets.

Swiss buyers bought 37,600 Opels last year, an increase of nearly 19 percent on the previous year. It was by far the most significant advance of any manufacturer, and was typical of the progress made right across Europe in 1982 by the passenger-car arm of General Motors here.

Volkswagen was relegated to the runner-up position. It added a handful of sales to reach 31,900—though if the group's Audi results are taken into account the picture did not change.

The VW group sold 40,900 units in Switzerland last year, a rise of 0.7 percent—much in line with the overall pattern.

Fiat Auto dropped a few hundred sales but remained in third spot with 25,000. Ford (23,500) and Renault (20,100) made fractional gains, but Toyota — the leading Japanese retailer—added more than 2,000 to claim 19,900 sales.

Overall, though, Japan's share of the Swiss car market dropped from 27.2 percent in 1981 to 26.6 percent last year. Only Mitsubishi and Suzuki of the others made any progress. France, Italy and the UK saw reduced business as well.

West Germany's slice rose from 39 to 42 percent, almost entirely on account of the Opel performance.

Ferdinand P. Beickler, chairman and managing director of Opel, called Switzerland a "well informed and sensitive international test market." A further test is now taking place — the arrival in Northern Europe of the Spanish-built Corsa baby car.

With widespread availability of the Corsa, Opel Marketing Director John Grettenberger

Continued on Page 52, Col. 1

index

Advertising news	49
Auction reports	36, 37
Book reviews	50
Classified advertising	38
Editorial page	14
Obituaries	50
Personnel	16
Production by makes	54
Service highlights	20
Truck highlights	18

58th year — No. 4959

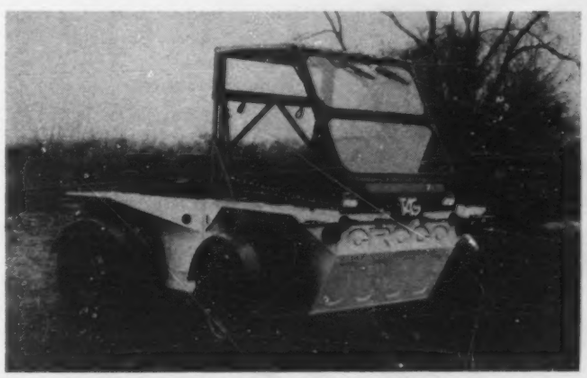
AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson Avenue, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.

Italian entry at Geneva

This Ital Design Muette, shown at Geneva, is a prototype with no production plans so far. Based on the Renault 11, it features long gullwing doors and a hatchback.

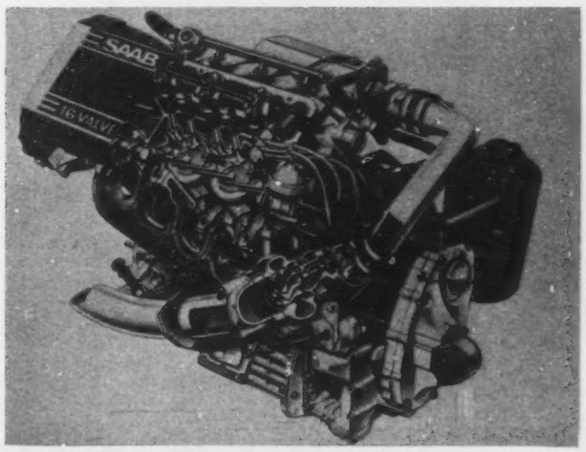
A stranger to Stuttgart

This Sbarro Gullwing, based on the Mercedes-Benz 500-SEC, was displayed at the Geneva Motor Show. The high-luxury coupe has a polyester body, gullwing doors, longer nose with covered headlamps and a shorter rear. It is available with the original 5-liter engine or the 6.8-liter OHC V-8.



Cross-country cutie

Developed in Switzerland and produced in Germany, the CROCO was exhibited at the Geneva Motor Show. The four-wheel-drive vehicle is powered by a single-rotor NSU-Wankel engine. The two-piece body twists at the center. It can be outfitted with a propeller for amphibious use. Wheelbase is 63.4 inches. The CROCO name comes from CROss COuntry and the vehicle has a CROCOdile as a symbol.



Sophistication from Saab

This Saab turbocharged 2-liter engine with four valves per cylinder and an intercooler was displayed at the Geneva Motor Show. The cross-flow cylinder head features twin overhead cams and hydraulic valve lifters.

Warns of possible deception in Washington area

FTC eyes dealers' financing ads

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—Some dealer advertising of low-rate car financing may be either deceptive, not in compliance with the Truth-in-Lending regulation, or both, according to the FTC's Bureau of Consumer Protection.

After a six-week investigation, that is what FTC told Better Business Bureaus in the Washington area in response to a BBB alert sounded on Jan. 28.

FTC is distributing a consumer information pamphlet listing questions buyers should ask dealers about low-rate loans and other incentives.

FTC sent letters to more than 70 dealers warning them that their ads may be illegal and asking them to start complying with both the credit disclosure law and the FTC law banning deceptive practices and warning that if they do not, FTC will start enforcing the law. Frank McCarthy, NADA executive vice president, said the dealer group already had a leg up on the FTC, having sent an information bulletin to its members spelling out just what is and what is not permissible under the Truth in Lending laws and Regulation Z.

"With the advent of interest buydowns and other creative financing possibilities, we saw the need for guidance," McCarthy said. "We want the dealers to do it the proper way."

McCarthy said that in a few cases, consumers may have been misled through advertising that does not explain add-on charges or limits that may exist on models where the low rate is available.

"NADA strongly opposes any such misleading or illegal practices," he said.

• FTC plans to get in touch officially with NADA and the National Independent Automobile Dealers Assn. (NIADA) — ordinarily the fastest way, other than tough and widely publicized dealer cases, to inform the auto dealer body.

This "bringing about compliance with these statutes through voluntary, corrective measures undertaken by dealers at our request"—in the language of the FTC's memo to the BBBs—is the new wave of the Reagan Administration's belief in the free market system now followed by the FTC.

While it does not preclude "formal action in this area . . . if our investigation indicates that this is appropriate"—again the FTC's words—it does give law enforcement second place after voluntary efforts.

To consumer advocates, this means there is a longer period when buyers can be deceived and honest dealers complying with the laws are at a competitive disadvantage.

Asked why FTC delays in starting legal action against violators, a public affairs spokesperson explained that the law, especially Truth-in-Lending and Regulation Z, is complicated

Continued on Page 50, Col. 3

Howard named ATAM president

New president of the Automotive Trade Assn. Managers is Keith W. Howard, center, executive vice president of the Automotive Dealers Assn. of North Dakota. Secretary-treasurer is Richard K. Welte, left, vice president, Niagara Frontier Automobile Dealers Assn. Richard D. Meek, right, is immediate past president. Vice president is William F. Morie, not pictured, executive vice president, Georgia Automobile Dealers Assn.

Production post goes to Adams

Robert C. Adams has been named advertising production manager of AUTOMOTIVE NEWS, succeeding Carol LeVeque.

LeVeque, a 32-year veteran of AUTOMOTIVE NEWS, will retire March 31. At that time, she will have served as advertising production manager for 1,584 consecutive issues.

Adams comes to AUTOMOTIVE NEWS from the Royal Oak (Mich.) Tribune, where he was production director for 14 years. Prior to that, he was associated with the Detroit Free Press, the Detroit News and the Birmingham (Mich.) Eccentric.

AMC, Chrysler and Ford lead way upward

Car sales notch 2nd gain in row

By Jenny L. King
Staff Writer

Domestic new-car sales were back on a winning streak, with early-March totals up from year-ago levels and a prognosis for more of the same as lower interest-rate levels continue, at least through the end of the month.

It was the second consecutive period of improved sales and the 12th in the last 14 periods.

March 1-10 sales numbered 161,117, up 2.93 percent from 156,532 a year earlier. They were down 7.27 percent from 173,757 recorded the final period in February. The daily selling rate for early March was 17,902, compared with 17,392 the preceding year. There were nine selling days both years.

Based on the early-March performance, domestic new-car sales were moving at a rate of 6,008,000 units for 1983.

General Motors and Volkswagen of America were out of the winners' circle for the period, while the competition enjoyed increases of 8.79 percent to 87.50 percent. GM sales totaled 92,816, down 2.05 percent from 94,758 last year. Volkswagen of America reported sales of 1,495 new Rabbits, down 41.67 percent from 2,563.

American Motors released an estimated sales figure of 4,500 this year, up 87.50 percent from 2,400 in 1982. Alliance accounted for the gain since AMC's other lines were down. Chrysler Corp. was up 8.80 percent, to 21,150 from 19,440, and Ford Motor Co. was up 8.79 percent, to 40,656 from 37,371. It was Ford's best 10-day total this calendar year. Sales of U.S.-built Honda Accords were estimated at 500.

GM sales accounted for 57.61 percent of the market, down from 60.54 percent last year. Ford earned 25.23 percent, up from 23.87 percent. Chrysler cornered 13.13 percent, up from 12.42 percent. AMC had 2.79 percent, up from 1.53 percent. VWoA dropped to 0.93 percent from 1.64 percent, and Honda claimed the remaining 0.31 percent of the 1983 market, with no showing a year ago.

Oldsmobile not only reported a 28.20-percent sales increase for the period, its total of 20,805 was greater than any other U.S. make, including Chevrolet which finished with 24,315. Incentive programs within dealerships are reported to be a source of this dramatic tilt among GM Divisions.

Oldsmobile also lays claim to topping second-place Ford for the first two months of 1983.

U. S. makes reporting sales increases for the period included: Chrysler, up 56.12 percent; Dodge, up 8.16 percent; Ford, up 6.60 percent; Mercury, up 15.71 percent; Lincoln, up 4.83 percent; Buick, up 25.83 percent; Cadillac, up 27.29 percent, and Oldsmobile, up 28.20 percent.

Missing their '82 marks were: Plymouth, down 14.27 percent; Imperial, down 25.45 percent; Chevrolet, down 35.85 percent; Pontiac, down 1.01 percent, and VW, down 41.67 percent.

DOMESTIC SALES

	March 1-10, 1983	March 1-10, 1982
AMERICAN MOTORS	4,500†	2,400†
Chrysler	6,407	4,104
Imperial	82	110
Plymouth	6,910	8,050
Dodge	7,751	7,166
CHRYSLER CORP.	21,150	19,440
Ford	27,182	25,500
Mercury	10,955	9,468
Lincoln	2,519	2,403
FORD MOTOR	40,656	37,371
Buick	18,910	15,028
Cadillac	7,295	5,731
Chevrolet	24,315	37,902
Oldsmobile	28,805	22,468
Pontiac	13,491	13,629
GENERAL MOTORS	92,816	94,758
Volkswagen	1,495	2,563
Honda	500†	.....
U.S. INDUSTRY TOTAL	161,117	156,532

† Estimate.

GM, Fanuc nearing decision on site of U.S. Robotics plant

By Marjorie Sorge

DETROIT. — General Motors and Fanuc, Ltd., of Japan, will decide on the location of their joint-venture robotics plant within the next two or three months, according to GM Chairman Roger B. Smith.

Smith said the jury is still out on the site but he hopes it will be located in Southeastern Michigan. The new company, GMF Robotics Corp., will build programmable industrial robots.

Speaking before the New Detroit City-Suburban Forum last week, Smith also criticized Michigan's poor showing in recent business-climate surveys because of its high cost for welfare, unemployment compensation and workers' compensation. He advocated working together with business, labor, government and academia to turn Michigan's status around.

"The really sad part of all this is that the poor business climate in Michigan is not only discouraging new business from moving to the state, it's hurting the businesses that are already here," he said.

According to Smith, some of GM's business costs in Michigan are double what they would be in another state. But he emphasized that the company has no intention of moving.

• Smith also told the forum that GM plans to be back at 1978-79 sales levels by mid-1985, with the proper economic climate. In 1978, GM sold about 5.39 million cars in the U.S., and in 1979 it sold about 4.91 million cars.

By mid-1985, he said, given a better economy, GM believes it can get "everybody who wants to work back to work" and that

Continued on Page 54, Col. 1

Datsun ranks third in Charleston, S. C.

CHARLESTON, S. C.—The February registration report for Charleston County showed Datsun running a strong third.

Totals were: Ford, 99; Chevrolet, 96, and Datsun, 95.

March sweetener added to Toyota truck incentive

Toyota is conducting a March supplement to an earlier "Running Start" incentive program on trucks.

The March 7-31 program is called "Anchor Lap" to signify the last lap of "Running Start."

It runs in six of Toyota's 12 sales regions. In one phase, dealers receive a separate March objective on trucks. If they hit 100 percent, they receive an extra $200 per truck, retroactive to the first truck sold in March. That brings possible earnings (including Running Start) to $500 per truck in March.

There's also a dealer cash bonus of $200 on all diesel trucks sold during March with no qualifiers.

In the other program phase, salesmen get a pull on a pullboard, good toward winning a range of cash awards, with each truck they sell.

Strawberries and fish; carpets and ladies' slippers

'Countertrader' Hill circles the globe for GM

By Jim Plegue
Staff Writer

For David Hill, "every day is an education in geopolitics, goods, commodities, services and economics."

Hill, 45, is president of Motors Trading Corp., the wholly owned subsidiary of General Motors which, since its formation in September, 1979, has inked trading contracts in as many as 30 countries of the world.

More specifically, Hill logged 200,000 miles last year in pursuit of "countertrade," today's buzzword for what is both a crude and complex method of doing business in countries without convertible currency.

Countertrade, Hill said, can be broken into three distinct groups: Buy Back or Offset deals (where a company may, for example, be paid to build a plant in a country and, in return, agrees to purchase the product manufactured there), Counterpurchase deals and Barter arrangements.

"We do relatively little barter on an international scale," said Hill, who was born in London and first worked for GM at its AC-Sphinx Sparking Plug operation plant in Dunstable, England.

"Nearly all our activity is confined to counterpurchase. We buy from a country with the understanding they will buy from us."

Both transactions are conducted in cash with commercial terms applied, Hill said, "but the two transactions are linked and

Continued on Page 32, Col. 1

Thanks to the promise of declining oil prices

Outlook improves for vehicle sales

Continued from Page 1

take some drastic steps soon to improve CAFE 2.5 MPG by 1984 in order to avoid stiff monetary penalties.

Hammond said he expects the very next round of price increases to begin the strategy that will see small-car prices holding the line as the prices of the bigger cars skyrocket.

Compacts and subcompacts took 50 percent of the market in 1982. ANWO projects they will get 46.95 percent of the market in 1983 and 45.94 percent of the market in 1984, despite significant decreases in the fuel-price index.

• The car sales forecast for 1984 calls for 14.8-percent growth, or an increase of 1.33 million cars to a total of 10.34 million units. This is 590,000 more than forecasted in the last ANWO.

Again, the domestics are expected to get the lions' share of that increase, selling 7.98 million units versus 2.36 million imports. That would represent a growth of 17.5 percent for the domestics and 6.3 percent for imports.

The projected import share for 1984 of 22.81 percent would be the lowest since 1979, when imports took 21.85 percent of the market.

Light-truck sales are expected to climb 13.4 percent in 1983 and another 18.5 percent in 1984, and both projections are increases over December's forecast.

Medium and heavy-truck sales are expected to increase less than previously forecast. ANWO projections now call for 1983 market growth of 16.7 percent and 1984 growth of 23.8 percent.

The 1984 truck sales projection of 3.46 million units would be the highest since 1979, when 3.47 million trucks were sold in the U. S.

• In auto production, the U. S. and Canada are expected to see an increase of 34.5 percent in 1983 and 14.6 percent in 1984. The growth rate is expected to drop rapidly in 1985 (2.2 percent), then turn negative in 1986 (−0.6 percent).

Similar production growth forecasts for the EEC: −2.2 percent in 1983, 2.6 percent in 1984, 2.3 percent in 1985 and 0.1 percent in 1986.

For Western Europe: 8.3 percent growth in 1983, 6.5 percent in 1984, 4.6 percent in 1985 and 3.2 percent in 1986.

For Japan: 11.6 percent in 1983, 2.2 percent in 1984, 5.9 percent in 1985 and 4.7 percent in 1986.

For the first time, ANWO is forecasting production and registration figures for 1987 and 1988. They show a flat growth rate throughout most of the world during those years.

North American car production is expected to increase 1.3 percent in 1987 and 6.7 percent in 1988. The increases in EEC countries are expected to be 0.3 percent and 0.9 percent.

In Western Europe, the increases are forecast at 7.6 in 1987 and 2.1 percent in 1988. In Japan, they are 2.5 and 1.9 percent.

(The Western European category includes Spain, Portugal and Sweden, which are not EEC members.)

• Although the European nations are expected to continue to use taxation to encourage fuel efficiency, consumers there are expected to benefit from some softening of oil prices in 1983 and especially in 1984, according to John Lawson, London-based economist for DRI Europe.

Not only will oil prices decline, but the dollar is expected to soften, too, during this period. Since oil is priced in dollars, a lower-valued dollar will be an added bonus for Europeans.

But all the rest of the economic outlook for Europe is rather gloomy. Business recovery and a consumer-spending upturn are expected to be slow in coming.

Another negative factor promises to be the pre-buying that was done in two major markets, France and Italy, during 1982. In the largest European car market, West Germany, real personal income in 1983 will fall for the third consecutive year, Lawson said.

On the brighter side, the vehicle population has continued to grow in Europe despite the recession. Even in Germany, the number of vehicles in use has increased at a rate of 1.5 percent a year, indicating strong—if latent—demand for motor vehicles.

Through 1988, Europe's number of cars and trucks on the road is expected to grow . to 2 percent a year, Lawson said.

AUTOMOTIVE NEWS WORLD OUTLOOK

GENERATED BY DATA RESOURCES INC.

		1983					1984				
	Year 1982	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 1983	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 1984
U. S. Macroeconomic Outlook											
% change gross national product—1972 dollars	-1.77	3.77	3.13	4.36	4.71	2.21	4.71	5.08	5.15	4.61	4.69
Index of production workers wages	2.92	3.02	3.05	3.09	3.13	3.07	3.17	3.22	3.26	3.30	3.24
Consumer price index (all urban)—all items	2.89	2.94	2.96	3.00	3.03	2.98	3.07	3.11	3.14	3.18	3.12
Unemployment rate—all civilian workers	9.71	10.38	10.30	10.14	9.99	10.20	9.68	9.43	9.06	8.81	9.24
Index of consumer sentiment	0.68	0.72	0.75	0.77	0.79	0.76	0.77	0.78	0.79	0.80	0.78
Housing starts, private including farm—total	1.06	1.50	1.46	1.51	1.56	1.51	1.60	1.65	1.71	1.76	1.68
Index of real gasoline prices (1981:4=1)	0.93	3.26	3.16	3.20	3.22	3.21	3.24	3.27	3.30	3.34	3.28
U. S. Financial Outlook											
Prime rate on short-term business loans	14.86	10.89	10.26	10.13	10.45	10.43	11.25	11.05	10.72	10.38	10.85
Finance rate on consumer auto loans	16.82	15.31	14.70	14.10	13.67	14.45	13.48	13.40	13.38	13.38	13.41
Real new-issue rate	5.56	3.61	3.32	3.42	3.61	3.45	3.77	3.88	4.08	4.33	4.02
Real short-term interest rate	6.34	4.08	3.68	4.08	4.49	4.08	4.25	3.77	3.44	3.18	3.66
Personal savings as % disposable income	13.53	13.36	13.39	14.34	14.92	14.00	15.61	16.18	16.31	16.82	16.23
Ratio of corporate profits to GNP	5.71	5.74	5.91	6.09	6.36	6.02	6.46	6.70	6.90	7.09	6.79
Ratio of fixed investment to GNP	11.37	10.47	10.23	10.16	10.10	10.24	10.17	10.25	10.33	10.40	10.29
U. S. Automotive Outlook											
Total new passenger car retail sales rate—units	7.98	8.38	8.73	9.20	9.72	9.01	9.90	10.19	10.54	10.72	10.34
Domestic share %	72.18	73.69	75.57	75.77	76.39	75.36	76.57	77.02	77.51	77.65	11.19
Fuel efficient units	3.99	—	—	—	—	4.23	—	—	—	—	4.75
Full size & intermediate units	3.99	—	—	—	—	4.77	—	—	—	—	5.58
Import share %	27.82	26.31	24.43	24.23	23.61	24.64	23.43	22.98	22.49	22.35	22.81
Dealer deliveries—light trucks—units	2.38	2.49	2.58	2.78	2.94	2.70	3.04	3.15	3.27	3.36	3.20
Dealer deliveries—Class 6-8 trucks—units	0.18	0.18	0.21	0.22	0.23	0.21	0.25	0.26	0.27	0.28	0.26

WORLD AUTOMOTIVE OUTLOOK—CAR PRODUCTION

	1980	1981	1982	1983	1984	1985	1986	1987	1988
European Economic Community	9.167	8.700	9.033	8.835	9.061	9.273	9.286	9.310	9.397
Western Europe	1.318	1.179	1.314	1.423	1.515	1.584	1.635	1.760	1.797
North America	7.209	7.035	5.580	7.505	8.601	8.790	8.739	8.852	9.443
Japan	7.038	6.974	6.887	7.689	7.858	8.325	8.715	8.931	9.103

EUROPEAN NEW-CAR REGISTRATION AND PRODUCTION OUTLOOK

	1980	1981	1982	1983	1984	1985	1986	1987	1988
BELGIUM									
Total New Car Registrations	0.383	0.342	0.326	0.312	0.331	0.347	0.372	0.401	0.409
Total New Car Production	0.220	0.200	0.228	0.245	0.225	0.213	0.213	0.213	0.213
FRANCE									
Total New Car Registrations	1.873	1.834	2.056	1.993	2.031	2.045	2.026	2.050	2.063
Total New Car Production	2.939	2.612	2.777	2.535	2.582	2.624	2.621	2.632	2.646
ITALY									
Total New Car Registrations	1.718	1.733	1.688	1.612	1.668	1.709	1.743	1.714	1.720
Total New Car Production	1.445	1.254	1.267	1.406	1.499	1.553	1.590	1.533	1.539
WEST GERMANY									
Total New Car Registrations	2.426	2.330	2.156	2.203	2.240	2.297	2.325	2.348	2.385
Total New Car Production	3.521	3.578	3.761	3.598	3.673	3.811	3.847	3.895	3.948
NETHERLANDS									
Total New Car Registrations	0.450	0.389	0.407	0.400	0.423	0.454	0.448	0.464	0.480
Total New Car Production	0.081	0.076	0.088	0.090	0.084	0.087	0.088	0.091	0.093
SPAIN									
Total New Car Registrations	0.540	0.516	0.517	0.540	0.569	0.602	0.628	0.667	0.702
Total New Car Production	1.028	0.855	0.935	1.015	1.077	1.121	1.152	1.271	1.307
SWEDEN									
Total New Car Registrations	0.193	0.189	0.218	0.236	0.227	0.240	0.248	0.255	0.262
Total New Car Production	0.235	0.258	0.295	0.310	0.320	0.333	0.340	0.346	0.348
UNITED KINGDOM									
Total New Car Registrations	1.514	1.485	1.555	1.630	1.657	1.644	1.657	1.692	1.718
Total New Car Production	0.924	0.943	0.888	0.940	0.981	0.973	0.915	0.934	0.947

EUROPEAN NEW-TRUCK REGISTRATION AND PRODUCTION OUTLOOK

	1980	1981	1982	1983	1984	1985	1986	1987	1988
BELGIUM									
Total New Truck Registrations	0.030	0.026	0.026	0.028	0.029	0.031	0.030	0.030	—
Total New Truck Production	—	—	—	—	—	—	—	—	—
FRANCE									
Total New Truck Registrations	0.315	0.325	0.344	0.304	0.318	0.322	0.318	0.311	0.332
Total New Truck Production	0.437	0.405	0.369	0.366	0.393	0.404	0.408	0.405	0.428
WEST GERMANY									
Total New Truck Registrations	0.222	0.197	0.165	0.173	0.185	0.201	0.207	0.201	0.205
Total New Truck Production	0.447	0.393	0.365	0.343	0.372	0.410	0.421	0.417	0.429
ITALY									
Total New Truck Registrations	0.147	0.149	0.145	0.136	0.141	0.154	0.155	0.148	0.150
Total New Truck Production	0.158	0.168	0.148	0.162	0.166	0.172	0.174	0.171	0.175
NETHERLANDS									
Total New Truck Registrations	0.046	0.041	0.041	0.041	0.044	0.045	0.044	0.045	0.045
Total New Truck Production	0.018	0.012	0.010	0.012	0.014	0.015	0.015	0.015	0.015
SPAIN									
Total New Truck Registrations	0.086	0.080	0.084	0.089	0.092	0.091	0.096	0.103	—
Total New Truck Production	0.130	0.113	0.126	0.125	0.127	0.125	0.125	0.132	—
SWEDEN									
Total New Truck Registrations	0.019	0.017	0.017	0.017	0.018	0.019	0.020	0.019	0.021
Total New Truck Production	0.055	0.050	0.050	0.048	0.051	0.057	0.061	0.059	0.060
UNITED KINGDOM									
Total New Truck Registrations	0.256	0.209	0.217	0.225	0.233	0.246	0.253	0.259	0.262
Total New Truck Production	0.367	0.214	0.225	0.224	0.229	0.245	0.253	0.254	0.258

Note: Units stated in millions. Totals may not add due to rounding.

St. Louis dealer spends $1 million on expansion

ST. LOUIS. — After less than two years in operation, Plaza Motor Co., a Mercedes-Benz, Porsche-Audi dealership in suburban Creve Coeur, is in the midst of a nearly $1 million expansion.

Tony Pandjiris, general manager, said the company is also doubling its parking lot and parts department as well as adding a 14-stall body and paint shop. The firm is the largest Porsche-Audi dealership in the state, according to Pandjiris.

"Because we have taken in many tradeins, we have quadrupled our used-car department," Pandjiris said.

Construction work is expected to be completed at the end of March.

Checking wheel alignment

A technician uses Firestone's newly developed Simplified Truck Alignment Reporting system to check wheel alignment. The firm said the system is simple and portable and can be used almost anywhere, including yards and parking lots.

Firestone introduces portable alignment kit

Crain News Service

AKRON. — Firestone Tire & Rubber Co. has introduced a lightweight, portable alignment system that could make alignment checkups part of a truck operator's routine maintenance schedule.

"Misaligned tractor and trailer suspensions are a common problem which can wear out tires in a short period of time," said Bill Hanlon, Firestone's heavy-duty truck-tire marketing manager.

"It's a problem we wanted to help our customers overcome, so we developed an inspection system we could administer quickly and easily to help protect their tires, thereby minimizing their tire costs," he added.

Hanlon said the simple makeup and portability of the system, called Simplified Truck Alignment Reporting (STAR), make it one of the most versatile systems existing today to check alignment on tractors and trailers.

"Unlike most other systems that are sophisticated and can only be used at a stationary location," he explained, "STAR can be transported and used just about anywhere, including yards and parking lots."

The system weighs about 66 pounds and consists of two three-point wheel-mounted brackets and a double-level camber gauge that compensates for the slope of the ground when checking front-wheel camber.

• Hanlon said misalignment problems have become more apparent in recent years with the increase in use of radial truck tires.

"Radials deliver longer wear and improved fuel economy so long as they are properly maintained," he said. "At the same time, they are much more sensitive to chassis misalignment than bias-ply tires, and tires on an out-of-alignment truck almost always wear prematurely."

The STAR system is particularly valuable in checking rear-wheel alignment, according to Lloyd Cooper, heavy-duty radial technical manager.

"Rear-wheel alignment," he

Continued on Page 44, Col. 4

IH honors 30-year dealer

Bernard Uhl, left, owner of Uhl Truck Sales, Palmyra, Ind., and Louisville, was presented a 30-year IH Dealer Service Award by Donald D. Lennox, president, International Harvester. Uhl purchased the Palmyra dealership on March 1, 1953, and acquired the Louisville franchise in 1981.

truck industry news

Decline is the first monthly dip since last August

February truck sales off 7 percent

Retail sales of new trucks of all types in the U. S. declined almost 7 percent in February, the first monthly drop on a year-to-year basis since last August.

During the month, according to preliminary reports, franchised dealers and factory outlets retailed 193,782 vehicles, off 6.7 percent from last year's 207,743 units.

Surprisingly, the usually slow-moving medium market showed gains for the second consecutive month in February. It also was the only one of the three market segments with higher sales than those in the same month a year ago.

The two-month industry total, however, was down only slightly from last year, 387,374 units versus 387,537.

Sales of light trucks, which have been showing increasing strength since the fourth quarter of 1981, softened in February. But the compact vehicles, pickups and the new sports/utility units, were up over 1982.

In February, 182,013 lights were sold, off 6 percent from the year-earlier 193,717. The two-month total, however, was 1.2 percent higher than a year ago, 362,090 versus 357,539.

• Compact-truck sales during the month totaled 62,942, an increase of 7.2 percent over the 58,737 units retailed in the same month in 1982. Through February, the count was up 26 percent, from 103,868 in 1982 to 130,854.

Because of dwindling deliveries of the captive imports, sales of the Japanese products were down for both February and the first two months.

During the month, dealers sold 26,974 of the compacts, a decline of 16.9 percent from last year's 32,468. Through February, the total was down 4.3 percent to 58,818 units, compared with 61,490 a year ago.

On the other hand, however, sales of the non-captive imports — Toyota, Datsun, Mazda, Isuzu and Mitsubishi — were higher than last year in both February and the year to date.

February sales of these vehicles totaled 23,568, a gain off 9.8 percent over the year-ago 21,458. Through February, the count was 48,081, up 22.1 percent over last year's 39,368.

Only 3,406 non-captive imports — Chevrolet LUV, Ford Courier, Dodge Ram 50 and Plymouth Arrow—were retailed during the month, a decline of 69.1 percent from last year's 11,010. The two-month total was

Continued on Page 44, Col. 3

Truck calendar

March 23-25 — International Trucking Show, Anaheim Convention Center, Anaheim, Calif.

April 9-12 — NADA American Truck Dealers, 20th annual convention and exposition, Sheraton Hotel, Boston.

April 17-20—Council of Fleet Specialists, Loew's Anatole, Dallas.

April 21-31—American Truck Historical Society, annual convention and antique-truck show, Sacramento Inn, Sacramento, Calif.

April 22-26 — Truck Trailer Manufacturers Assn., annual convention, Arizona Biltmore, Phoenix.

Aug. 9-14—29th Annual Midwest Manufactured Housing and Recreational Vehicle Show, Notre Dame University, South Bend, Ind.

Oct. 16-20—American Trucking Assns. annual convention, New Orleans Hilton, New Orleans.

Nov. 7-10—SAE annual truck and bus meeting, Stouffer's On The Square, Cleveland.

Nov. 29-Dec. 3—21st annual show, Recreation Vehicle Industry Assn., Kentucky Fair & Exposition Center, Louisville.

Ford seeks '83 boost in farm-tractor share

DEARBORN. — With new products and new marketing programs, Ford Motor Co. expects to make 1983 sales gains in North America's highly competitive farm and industrial tractor markets, according to Mervyn H. Manning, Ford vice president and general manager of Ford Tractor Operations.

Speaking at a news conference at which two new tractor lines were introduced, Manning said Ford has revamped its entire tractor lineup in less than 16 months, "an unprecedented move in an industry where new model changes are few and far between."

He said major changes in Ford's 1983 North American tractor lineup include a new, expanded line of over-100-HP farm tractors; six new under-30-HP utility tractors; five new compact loaders for farm and industrial use; and four new models in the recently introduced mid-range line of Series 10 farm tractors.

"From our new top-of-the-line TW-35 — the largest farm tractor ever built by Ford Motor— to the smallest new utility model, our customers will see improvements in every major operating system," Manning said.

"Many of our new tractors are more fuel-efficient, more comfortable, and most importantly, more productive."

• He said Ford tractor dealers also will offer an industry-first "Tractor Care" program for the new over-100-HP tractors, in addition to a variety of leasing, rental and financing options to help farm and industrial equipment customers overcome current cash flow problems.

The new service plan provides purchasers of TW models with three years or 2,500 hours of tractor care with virtually no expense to the owner other than fuel.

'Our dealers are convinced that they have the products and the marketing support to maintain their sales momentum in 1983," he said.

According to Manning, a recent survey of Ford's North American tractor dealers showed that more than 62 percent expected to increase their sales and market share in 1983, even though 62 percent expected tractor-industry sales to drop or remain even with last year's performance.

"Our new models are designed to give Ford tractor dealers a competitive edge in what has to be one of the most competitive tractor markets we have ever faced," he said.

• "Our attention is focused, as it's never been focused before, on producing the finest quality tractors in the industry," he concluded. "We're especially proud of our record to date — our reputation for product quality has been one of our strongest selling points over the years, and we're not resting on our reputation."

Ford offers bigger tractors for '83

The four-model line of TW Series agricultural tractors—the most powerful two-wheel-drive tractors in Ford history—will be available this spring. This is the TW-15, an intermediate model rated at 140 HP. The top-of-the-line TW-35 is rated at 170 HP.

NIASE recognizes topflight schools

Training programs to be certified

Continued from Page 20

years, will be to evaluate the curriculum, faculty, equipment, and facilities of institutions offering automotive training, using the criteria developed by the Automobile Mechanic Training Evaluation Project (AMTEP), to determine if the schools' automotive programs are worthy of NIASE certification.

The AMTEP evaluation system was developed under the sponsorship of the Industry Planning Council of the American Vocational Assn.

The project was funded by the Motor Vehicle Manufacturers Assn., and the AMTEP studies have now been turned over to NIASE.

Schools would be required to have an advisory committee made up of local automotive business and professional experts, preferably those who hire mechanics and know what skills mechanics need to "make it" in the marketplace.

Dr. Byrl R. Shoemaker, former Ohio director of vocational education, has been retained by NATEF as educational consultant.

Shoemaker will train state evaluation team leaders who will be recruited from the ranks of qualified vocational educators who are NIASE certified. Together with other local automotive experts, the team evaluation leader will conduct investigations upon the request of institutions.

In addition to Pohanka, the NATEF board is made up of William F. Ferguson III, Ferguson Auto Service, Richmond, Va., treasurer; Mel H. Chesney, Ford Motor Co. (retired); Jerry B. McFarland, Orville Smith Auto Service, Tucson, and Joe D. Mills, Florida Vocational Education, Tallahassee.

Also, Mort Schwartz, Chanslor & Lyon Co., Inc., Walnut Creek, Calif.; Vodrey H. Shokes, East-West Lincoln Mercury, Inc., Landover, Md., and Gregory L. Sutliff, Sutliff Chevrolet Co., Harrisburg, Pa. Ron Weiner, NIASE President, will be chief administrator and secretary for the foundation.

Initial funding for NATEF was contributed by MVMA and was matched by NIASE. Additional contributions have been received from Toyota Motor Sales, U.S.A., Inc., and the National Tire Dealers and Retreaders Assn.

• "NIASE has done a fine job in fulfilling its original purpose to recognize excellence where it exists in mechanics' ranks and to encourage other mechanics to strive to become certified," Pohanka said.

"As a next logical step the institute, through the new foundation, will recognize excellence in automotive education programs through its new certification, and hopefully encourage institutions to seek this standard."

Pohanka said everyone is keenly aware of the need for skilled mechanics and "those of us in the industry must accept some of the responsibility for this problem and recognize that we have not done enough to make it easier for entry level candidates to become 'job ready.' "

"We all must do what we can to encourage gifted young people to make auto mechanics their career," Pohanka said. "But we can't stop there. We must make certain that they have a vehicle through which they can make that goal a reality.

"By certifying superior automotive programs, NIASE will be able to direct recruits to the institutions where they can most readily receive the training they need to accept career responsibilities," Pohanka said. "In doing so the institute will have created a stepping stone to automotive service excellence."

factories list auction dates

American Motors

March 22—D-A Auto Auction, New Stanton, Pa.; Aptco Auto Auction, Taylor, Mich.

March 23—Metro Milwaukee Auto Auction, Caledonia, Wis.; Sand Mountain Auto Auction, Boaz, Ala.

March 24 — Todd Auto Auction, Telford, Pa.; Minneapolis North Star Auto Auction, Shakopee, Minn.; Evansville Auto Auction, Evansville, Ind.; Gene Radcliffe's Mid-America Auto Auction, Wichita, Kans.

March 30—Southern Auto Auction, East Windsor, Conn.; Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia.; Kansas City Auto Auction, Kansas City, Mo.

March 31—Minneapolis North Star Auto Auction, Shakopee, Minn.

Ford Motor Co.

March 22—Harrisonburg Auto Auction, Harrisonburg, Va.

March 23—Golden Gate Auto Auction, Fremont, Calif.; Central States Auto Auction, Mason City, Ia.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Northway Exchange, Clifton Park, N. Y.

March 29—South Seattle Auto Auction, Kent, Wash.

Chrysler Corp.

March 22—Aptco Auto Auction, Taylor, Mich.; Baltimore-Washington Auto Exchange, Baltimore.

March 29 — NuCarPrep System, Santa Fe Springs, Calif.

March 30—St. Pete Auto Auction, Clearwater, Fla.

Used Car Sales

Auction Averages

March to date	$4,985
Month ago	$4,693
Year ago	$4,823

Model breakdown

Auction Averages

	March To Date	February	January
1983	$11,050	$12,350	$10,679
1982	8,004	7,711	7,253
1981	5,983	5,989	5,844
1980	5,091	5,013	4,814
1979	4,577	4,398	4,235
1978	3,496	3,293	3,175
1977	2,572	2,378	2,573
1976	2,102	1,773	1,679
Overall Average	$ 4,985	$ 4,733	$ 4,646

WELCOME
Jerry Chapman Chapman Chevrolet
TEMPE, ARIZONA
One of Our Select Consign-A-Car Dealerships.
CONSIGN-A-CAR OF AMERICA
(915) 533-3322
The Fastest Growing Used Car Consignment System in the Nation

Saab program designed to recognize technicians

Continued from Page 20

els in the system. The first is Associate Technician, which requires the technician to have worked at the dealership for 12 months and take the five-day introductory course as well as the evaluation test.

The next step is Certified Technician which requires 24 months of employment at the dealership, four additional technical courses plus certification in two NIASE categories.

Requirements for the third category, Quality Technician, are 36 months at the dealership, four more Saab courses and certification in four NIASE categories.

The highest level is Master Technician which requires 60 months work on Saabs—36 months must be consecutive—as well as having completed all required Saab technical courses and being fully NIASE certified.

Lieuwma said the time factor has another benefit in that the company believes that a technician can become a master at his trade only with experience.

Lieuwma stressed that Saab is also striving to reduce the turnover in the service departments, and this is a method of promoting loyalty to both Saab and the dealership, promoting NIASE and developing corporate service training programs.

There will be various awards to the technicians as they complete each level, and there will be no cost to the dealer, Lieuwma said.

Another goal of the program is to improve the overall performance of the technicians in a way that the dealers can see positive results.

This program, as most Saab programs, has been "run by" a cross-section of dealers and they were "positive about it," Lieuwma said.

Lieuwma further noted that Saab is attempting to create links with various technical schools and colleges in an effort to bring training closer to the dealership.

The company has formed some links with schools where it can teach the school instructors about Saabs and in exchange for use of school facilities for its own training sessions with dealership personnel. This is becoming a "tie for the future" Lieuwma said.

TOYOTA "SPORT" CONVERTIBLES

"AMERICAN CUSTOM COACHWORKS, LTD."

Custom built convertibles with their "fully automatic convertible top" have already proven they sell very fast and are **very profitable** for Toyota dealers to sell. They are the very highest quality of craftsmanship, and are the finest showroom traffic builders, and with their superb engineering and style create additional business. Base units can be drop shipped to American Custom Coachworks, Ltd. plants, or there are open factory (pool cars) presently in build that are available.

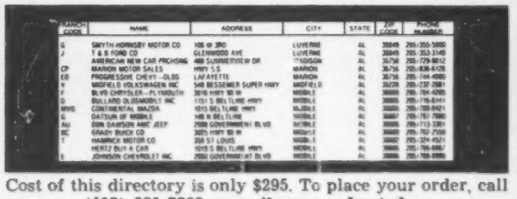
CALL (213) 272-7908 OR (213) 278-0643
FOR MORE INFORMATION

*QUALIFIED DISTRIBUTOR POINTS ARE AVAILABLE AN-26

Announcing
NEW CAR DEALER DIRECTORY
27,910 names - $295

The New Car Dealer Directory has been compiled from the Yellow Pages of approximately 4,800 telephone directories. It covers virtually every city and town all across the country; and includes name of dealership, address, zip-code, telephone number and the major brand sold by the dealer.

This directory can be a perfect tool for Market Planning, Sales Prospect identification, Direct mail list, Telephone sales or as a reference directory. Brand information lets you select Chevrolet dealers or Toyota dealers or any other major franchise in any sales territory. The potential use of this directory is limited only by your imagination.



Cost of this directory is only $295. To place your order, call (402) 331-7293 or mail your order today.

American Business Directories, Inc.
5639 So. 86th Circle • P.O. Box 27347 • Omaha • Nebr. • 68127
Phone: (402) 331-7293
7683

SPEAKERS BY THE CASE AT DISTRIBUTOR COSTS
FOR ALL FOREIGN & DOMESTIC MODELS
Save up to 50% or more.
Send for Complete Catalog
the heart of good sound
INTERVOX by International ©
QUALITY PRODUCTS FROM INTERNATIONAL COMPONENTS CORPORATION
CALL TOLL FREE 800-645-9154 • IN N.Y. STATE 516-293-1500
105 Maxess Road, Melville, New York 11747 (516) 293-1500/TELEX # 143130

"ONE DAY SERVICE"
We are "1" of only eight authorized AC DIESEL CRUISE CONTROL repair centers in the USA.
DAYTON SPEEDOMETER SERVICE, INC.
AC Delco Service & Sales Center
660 N. Main, Dayton, Ohio 45405
National 1-800-543-9687 In Ohio 1-800-543-0719 Local (513) 222-1491
AN-8

DATSUN "200 SX" CONVERTIBLES
"When Driving Is Fun"

"AMERICAN CUSTOM COACHWORKS, LTD."
has created and built these sporty convertibles for Datsun dealers. They have proven to be a very "fast selling" and "very profitable" Nissan custom product—the finest quality convertible for '83 Datsun dealer sales. These "showroom traffic builders" are superbly engineered and styled. Base units can be drop shipped to American Custom Coachworks, Ltd. plants or there are some open factory (pool cars) presently in build that are available.

CALL (213) 272-7908 or (213) 278-0643
FOR MORE INFORMATION
*QUALIFIED DISTRIBUTOR POINTS ARE AVAILABLE AN-15

People who need people use Automotive News classified ads.

"Tremendous response; We're always happy with the results we get from classified ads in Automotive News." You will be, too.

Call Marie Hingst, Classified Advertising Manager, at (313) 567-9520 by 5 p.m. Monday . . . see your ad the following Monday. Or write: Automotive News, 965 E. Jefferson Ave., Detroit, MI. 48207.

Automotive News

Decline is the first monthly dip since last August

February truck sales off 7 percent

Continued from Page 18

off 51.5 percent, from 22,122 in 1982 to 10,737.

Sales of the domestic compacts in February were up 36.9 percent to 35,968 units, compared with 26,269 a year ago. The two-month total was 72,036, an increase of 70 percent over last year's 42,378.

The domestic compacts accounted for 57.1 percent of total sales in February, and 55.1 percent of the two-month count. A year ago, the domestics' February share was 44.7 percent and the two-month penetration was 40.8 percent.

In February, 3,058 medium trucks were retailed, a gain of 3.4 percent over last year's 2,957. The two-month total was 6,482 units, up 8.3 percent over the 5,987 sold in the first two months of 1982.

Heavy-truck sales in February totaled 8,711 units, a decline of 21.3 percent from the year-earlier 11,069. Through February, the count was 18,802 units, off 21.4 percent from the 23,911 vehicles sold in the like period in 1982.

The Motor Vehicle Manufacturers Assn. estimated that retail outlets of domestic manufacturers sold 170,214 units, including imports, in February, a decline of 8.6 percent from last year's 186,285.

Through February, the total was 339,293 units, down 2.5 percent from last year's 348,169.

• At the end of February, the number of unsold new trucks in dealer hands totaled 541,284 units, according to MVMA, an increase of 4.2 percent over last year's 519,705.

Light-truck stocks were 8.3 percent higher than a year ago, 501,359 versus 462,752. There were 10,148 mediums on hand, a decline of 14.3 percent from the year-earlier 11,846. Heavies were down 34 percent, from 45,107 units in 1982 to 29,777 this year.

Big Three truck manufacturers reported their dealers sold 158,666 new vehicles in February, down 8.4 percent from last year's 173,293. The two-month total was 315,013, a drop of 2 percent from the previous year's 321,565.

During the month, Chevrolet dealers retailed 62,166 trucks, down 15.3 percent from the year earlier 73,415. Through February, the total of 127,366 sales was off 6.5 percent from last year's 136,186.

No. 2 Ford said its dealers sold 59,211 vehicles in February, a gain of 1.2 percent over the year-ago 58,517. The two-month total of 121,703 units was 10.8 percent higher than last year's 109,846.

Dodge and Plymouth dealers retailed 19,631 units during the month, down 12.6 percent from the year-earlier 22,470. The January-February count was 31,707, off 23.7 percent from last year's 41,554 units.

• GMC new-truck sales in February were down 6.5 percent, from 18,891 units in the same month a year ago to 17,658. Through February, the total was 34,237, up 0.8 percent from the previous year's 33,979.

Sales of Jeep four-wheel-drive vehicles in February totaled 4,823 units, an increase of 0.5 percent over last year's 4,797. The two-month count was 9,695, up 5.8 percent over the year-earlier 9,160.

Volkswagen sales for both the month and the January-February period were down drastically from 1982. In February, dealers sold only 533 units, down 50.5 percent from last year's 1,077. The two-month total was off 46.1 percent, from 2,421 units a year ago to 1,306.

Toyota pickup sales in the second month were off 5.1 percent, from 10,440 a year ago to 9,912. Through February, the total was 19,576 units, down 2.9 percent from last year's 20,160.

Datsun dealers retailed 7,046 trucks during the month, up 1.3 percent from the year-ago 6,995. The two-month count was 31 percent higher than the previous year, 15,980 versus 12,200.

Mazda's February sales were up 56.4 percent to 4,626 units, compared with 2,958 in the same month a year ago. Through February, the count was 8,496 units, an increase of 80.6 percent over the year-earlier 4,705.

In February, Isuzu dealers retailed 1,304 compact pickups, a gain of 18 percent over the year-ago 1,105. Through February, the total was 22.5 percent higher than last year, 2,822 versus 2,303.

Newcomer Mitsubishi said its dealers retailed 680 vehicles in February, bringing the two-month count to 1,207. Mitsubishi compacts made their U. S. debut last fall at the start of the 1983 model year.

Firestone offers portable kit for alignment

Continued from Page 18

said, "is becoming a critical part of preventive maintenance because if the rear end is out of line, the front wheels have to compensate and you'll get premature wear."

Cooper recommended a STAR check every 25,000 to 30,000 miles.

With STAR's wheel-mounted brackets, a tape measure and a chassis-mounted bracket, he explained, a tire dealer, truck operator or fleet maintenance personnel can check to see whether the drive wheels are not parallel to each other or whether the axles are not perpendicular to the chassis.

While STAR currently is available only through Firestone's trained field radial-tire specialists, Hanlon said he believes that once the system's simplicity and value become well-known, use of the system could expand greatly.

Big Three February, year-to-date truck sales

	February 1983	February 1982	Year to date 1983	Year to date 1982
Ford				
Vans	9,882	8,334	20,310	14,470
Club Wagon	2,210	1,760	4,099	3,512
Courier	619	3,599	5,471	7,827
Ranger	11,816	1,440	23,515	1,440
Bronco	3,244	3,420	6,051	5,991
Bronco II	184	.....	199	.....
Conventional Pickups	28,842	36,966	56,544	70,189
Mediums	N.A.	N.A.	N.A.	N.A.
Heavies	N.A.	N.A.	N.A.	N.A.
Chevrolet				
Vans	10,186	7,331	20,428	14,086
Sportvan	1,517	967	2,970	1,959
S-10	12,388	17,741	25,722	29,413
S-10 Blazer	5,972	.....	11,779	.....
LUV	517	2,930	1,364	5,680
El Camino	1,316	1,743	2,771	3,487
Blazer	1,962	3,195	3,787	6,021
Suburban	2,118	2,289	4,536	4,097
Conventional Pickups	25,200	36,177	51,941	69,310
Mediums	990	1,042	2,068	2,133
Chrysler				
Vans	5,231	5,186	8,627	9,615
Voyager	363	491	646	954
Ram Wagon	2,486	2,450	4,062	4,329
Scamp	250	.....	412	.....
Rampage	831	1,312	1,369	2,285
Arrow	161	863	260	1,516
Ram D-50	2,109	3,618	3,642	7,099
Trail Duster	.....	69	.....	115
Ramcharger	1,479	826	2,389	1,339
Conventional Pickups	6,721	7,655	10,300	14,302
GMC				
Vans	2,941	1,763	5,282	3,353
Caballero	151	239	274	440
S-15 Jimmy	991	.....	1,829	.....
S-15	2,649	3,244	5,397	5,016
Jimmy	436	647	805	1,155
Suburban	731	576	1,430	994
Conventional Pickups	7,334	9,083	14,637	16,101
P models	252	220	389	544
Mediums	1,680	2,002	3,194	4,223
Heavies	493	1,117	1,000	2,153

200th member joins collision association

KANSAS CITY. — Jim Gilbert, owner of Gilbert's Auto Body, Inc., Indio, Calif., has become the 200th member of the Society of Collision Repair Specialists (SCRS).

WELCOME
Craig Berge
Berge Ford
MESA, ARIZONA
One of Our Select Consign-A-Car Dealerships.
CONSIGN-A-CAR OF AMERICA
(915) 533-3322
The Fastest Growing Used Car Consignment System in the Nation

Domestic makers schedule 128,076 cars

Gain by Ford boosts week's output

By Patricia Hoffman
Staff Writer

Six days of assembly at three Ford Motor facilities and the return of the company's Dearborn and San Jose plants boosted last week's domestic car production 7.41 percent above the previous week's total.

The auto makers targeted last week's output at 128,076 units, up from the prior week's 119,236 and up 6.74 percent from 119,988 cars built in the comparable 1982 period.

Breakdown for the week by company was: General Motors, 56.77 percent; Ford, 24.39 percent; Chrysler Corp., 14.17 percent; American Motors, 2.47 percent; Volkswagen of America, 1.65 percent and Honda, 0.55 percent.

So far this year, the manufacturers have assembled 1,269,562 cars, a 38.36 percent gain from last year's 917,570.

Ford's Kansas City plant was down last week (March 14) due to overstocked inventory.

AMC discontinued production of Eagle models at its Kenosha facility last week, leaving the company's Brampton (Canada) point as the sole source for Eagle. Kenosha will continue to produce the AMC/Renault Alliance.

GM's Framingham plant, idle since Oct. 1, returned last week with assembly of the Chevrolet Celebrity and Oldsmobile Cutlass Ciera. Output was set at 45 units an hour on one shift. About 1,800 workers returned from indefinite layoff.

Ford's Dearborn and San Jose plants returned last week following one week of downtime for inventory control.

Saturday overtime was scheduled at Ford's Atlanta, St. Louis and Wixom points. The GM Detroit plant operated 1.6 hours of daily overtime on both shifts.

GM, Fanuc near decision on site of Robotics plant

Continued from Page 4

GM will lead the auto industry and other industries in recalling workers.

Current signs in the industry point to the 1985 improvement, Smith said. GM's order bank is at its highest level in three years and the company has added 22,000 jobs in the past two months.

In addition, GM sales should be higher than 1982 in both March and April, he said.

While dealer orders are high, the dealers' main concern is a shortage of cars, Smith said, but they are also concerned about what will happen when the 11.9 percent interest subsidy program ends March 31. While he would not comment on similar programs in the future, Smith did say current rumors about a 9 percent program had no credence and that that rate had "not been discussed at GM."

Meanwhile, Smith told forum attendees that the GM/UAW "Care and Share" food donation program raised $4,650,000 nationally and provided more than 13 million cans of food.

Canadian auto output rises as Ford, AMC plants return

The return of Ford Motor's St. Thomas facility and American Motor's Brampton plant helped boost last week's Canadian auto production 38.42 percent from the previous week's total. Output was about the same as in the comparable 1982 period.

The auto makers slated 22,326 units last week, up from the previous week's 16,129 and about equal to last year's 22,345.

Year-to-date, there have been 202,247 cars assembled, a 22.15 percent gain from 165,567 finished in the same 1982 period.

Truck output last week was estimated at 10,685 units, up 3.45 percent from the previous week's 10,329, but down 9.95 percent from the 11,866 built in the year-ago week.

So far this year the truck manufacturers have completed 102,284 units, a 3.52 percent gain from 98,804 built in the comparable 1982 period.

Ford's Oakville car assembly point remained idle last week (March 14) for conversion to the new Tempo and Topaz models. The plant, which went down Feb. 21, is slated to resume full production April 11. Oakville previously assembled the Crown Victoria.

Back at work last week was Ford's St. Thomas facility. Operations there were halted Feb. 28 for inventory control.

The AMC Brampton plant, source of Eagle, Concord and Spirit models, returned last week following a week of downtime to control overstocked inventory. Brampton now is the sole source of Eagle assembly, which has ended at AMC's Kenosha plant in Wisconsin.

According to an AMC spokesman, Spirit production will be phased out of Brampton this month, followed by Concord assembly which is to be discontinued in April. Beginning in June, Eagle output will be cut from two shifts to one shift at 120 units a day.

Chrysler Corp.'s Windsor car plant, source of the Gran Fury, Diplomat, Caravelle Salon, Imperial, Cordoba, Mirada and New Yorker Fifth Ave. models, increased output last week from 47 units an hour to 50 units an hour.

Operations resumed last week at International Harvester's Chatham plant following a five-week strike.

Chrysler expects operating profit

DETROIT. — Chrysler Corp. anticipates a pre-tax operating profit of at least $100 million in the first quarter of 1983, compared with a pre-tax operating loss of $89 million in the first quarter of 1982.

The forecast was made in a filing with the Securities and Exchange Commission for an offering of 8.7 million shares of common stock as part of Chrysler's recapitalization plan.

Chrysler said financial institutions holding 1981-series preferred stock have almost unanimously approved the plan to swap those shares for common stock as another part of the recapitalization plan.

Truck production steady for week; 47,291 assembled

The return of the CJ line at American Motors Toledo Jeep facility was offset by downtime at Ford Motor's Kentucky point, with the result that last week's domestic truck production was up just a fraction from the previous week's total.

Last week's truck output was estimated at 47,291 units, about even with the 47,012 units built the previous week, but up 8.10 percent from last year's 43,747.

So far this year, the makers have finished 435,746 trucks, a 10.89 percent gain over the 392,968 built in the comparable 1982 period.

Ford closed its Kentucky plant last week (March 14) due to overstocked inventory.

AMC's Toledo point, idled for inventory control March 7, returned last week with production of CJ models. Wagoneer and Cherokee assembly will resume today (March 21).

General Motors' Lordstown facility increased van output last week from 24 an hour on two shifts, to 29 an hour. About 300 workers returned from indefinite layoff.

The S-truck line at GM's Pontiac point operated six days last week.

Volkswagen of America has announced plans to halt production of pickups at its Westmoreland plant indefinitely, starting in April. The Westmoreland truck line, which was down from last June until Feb. 21, has assembled only 652 trucks since its return.

TRUCK PRODUCTION IN U. S.†

	Week Ended March 19, 1983	Week Ended March 20, 1982	Week Ended March 12, 1983	March to Date	Jan. 1 to March 20, 1982	Jan. 1 to March 19, 1983
CHEVROLET	16,017	11,797	16,545	35,854	135,705	153,107
DODGE	3,200	3,121	2,783	6,630	25,909	25,581
FORD	18,947	18,838	20,311	43,314	132,265	173,162
GMC	5,497	4,963	5,184	11,598	40,078	49,400
INTERNATIONAL	1,040	1,171	1,030	2,276	10,780	9,806
VOLKSWAGEN	235	707	129	407	7,595	652
JEEP	1,305	1,700*	.....	1,757	15,786*	12,488
AM GENERAL	50*	50*	50*	110*	450*	550*
MISCELLANEOUS	1,000*	1,400*	1,000*	2,200*	15,400*	11,000*
Total Trucks, U. S.	47,291	43,747	47,012	104,147	392,968	435,746

CANADIAN TRUCK PRODUCTION

	Week Ended March 19, 1983	Week Ended March 20, 1982	Week Ended March 12, 1983	March to Date	Jan. 1 to March 20, 1982	Jan. 1 to March 19, 1983
CHRYSLER CORP.	2,652	2,402	2,726	5,832	19,519	26,910
FORD MOTOR	3,413	3,217	3,128	7,178	23,631	25,455
GENERAL MOTORS	4,360	5,979	4,475	9,724	53,017	46,831
INTERNATIONAL	260	268	.....	260	2,637	1,088
Total Trucks, Canada	10,685	11,866	10,329	22,994	98,804	102,284
N. American Trucks	57,976	55,613	57,341	127,141	491,772	538,030

†—Raw includes window van production. *—Estimated.
Jeep includes commercial only. All General includes government-destined vehicles.

U. S. CAR PRODUCTION

	Week Ended March 19, 1983	Week Ended March 20, 1982	Week Ended March 12, 1983	March to Date	Jan. 1 to March 20, 1982	Jan. 1 to March 19, 1983
AMERICAN MOTORS	3,160	1,900*	3,982	7,790	11,334*	38,147
AMC Total	.....	.....	745	745	.....	4,071
Concord	.....	.....	.....	.....	.....	3
Eagle	.....	.....	745	745	.....	4,068
Renault Total	3,160	.....	3,237	7,045	.....	34,076
Alliance	3,160	.....	3,237	7,045	.....	34,076
CHRYSLER CORP.	18,150	15,184	16,072	37,807	115,207	156,778
Plymouth Total	6,950	6,530	6,528	14,864	48,844	58,813
Horizon	2,100	2,058	2,325	4,833	14,890	18,189
Reliant	4,800	4,472	4,120	9,886	33,954	39,984
Caravelle ('83)	50	.....	80	145	.....	640
Chrysler Total	3,800	2,619	3,245	7,758	21,028	25,022
LeBaron	1,900	2,619	1,555	3,778	21,028	17,391
Chrysler E-Class	1,900	.....	1,690	3,980	.....	17,631
Dodge Total	7,400	6,035	6,299	15,185	45,335	62,943
Omni	2,300	2,416	2,113	4,886	13,841	19,479
Aries	3,200	2,946	2,700	6,577	25,435	28,615
Dodge 400	700	673	524	1,339	6,059	5,905
Dodge 600	1,200	.....	962	2,383	.....	8,944
FORD MOTOR	31,235	29,308	24,540	60,947	180,340	293,119
Ford Division	21,398	18,463	16,296	41,232	108,106	191,098
Escort	7,558	7,126	5,948	14,385	48,604	53,110
Fairmont	.....	3,587	.....	.....	16,520	23,728
Mustang	3,578	4,151	.....	4,258	21,050	25,717
LTD/Granada	3,270	2,188	3,457	7,401	14,904	37,740
Thunderbird	4,605	1,223	4,673	10,137	6,043	32,711
Crown Victoria/Ford	2,179	.....	2,218	4,837	.....	17,169
EXP	213	216	.....	213	985	923
L-M Division	9,836	10,845	8,244	19,715	72,234	102,021
Mercury Total	7,451	8,759	6,185	14,834	51,015	78,253
Lynx	1,578	2,260	1,430	3,183	14,130	13,111
Capri	485	1,379	.....	587	6,076	4,890
Zephyr	.....	1,854	.....	.....	5,779	8,601
Marquis/Cougar	1,348	1,135	1,092	2,663	8,175	12,909
Cougar/XR7	2,014	488	1,611	3,919	2,101	12,808
Gr. Marquis/Marquis	2,020	1,902	2,032	4,456	14,547	25,666
LN7	26	26	.....	26	207	268
Lincoln Total	2,385	2,086	2,079	4,881	21,219	23,768
Continental ('82)	480	417	410	973	4,773	4,745
Lincoln	1,121	835	983	2,283	8,494	10,541
Mark VI	784	834	686	1,625	7,952	8,482
GENERAL MOTORS	72,716	69,940	72,024	158,136	586,463	756,291
Buick Division	16,039	17,616	16,593	36,182	144,011	181,713
Skylark	1,525	3,486	1,490	3,608	24,575	21,480
Skyhawk J	1,208	2,727	1,419	2,897	16,941	15,486
Century	3,224	2,570	4,093	8,020	27,018	33,594
Regal	4,280	4,834	4,272	9,411	35,191	53,602
Buick	5,015	3,221	4,514	10,491	34,641	49,672
Riviera	795	798	805	1,755	5,645	7,879
Cadillac Division	6,834	2,584	7,569	15,759	48,224	75,453
Cimarron	635	480	588	1,321	1,271	5,830
Seville	686	602	691	1,523	4,878	8,016
Eldorado	1,553	1,502	1,571	3,436	13,083	17,271
Cadillac	3,960	.....	4,719	9,479	28,992	44,336
Chevrolet Division	23,679	26,339	22,051	49,307	157,763	219,405
Chevette	4,285	6,891	4,499	9,699	26,651	44,485
Cavalier	5,381	3,512	4,399	10,467	22,317	40,509
Celebrity	1,517	2,186	852	2,533	10,621	12,221
Camaro	3,445	4,511	3,341	7,195	42,222	37,802
Citation	2,476	3,456	2,820	5,531	20,731	25,006
Malibu	3,113	3,381	2,852	6,532	15,382	28,943
Monte Carlo	1,907	1,421	1,759	4,001	9,133	18,095
Chevrolet	955	397	981	2,109	4,258	9,803
Corvette	600	685	588	1,241	6,448	2,541
Oldsmobile Division	19,079	14,773	17,793	39,625	186,599	203,249
Omega	1,005	1,082	1,087	2,524	15,427	15,978
Firenza	970	2,186	772	1,901	22,542	8,507
Cutlass	4,820	2,404	4,826	10,662	38,097	59,183
Cutlass/Ciera	2,883	2,267	3,370	6,858	22,614	34,554
Oldsmobile	7,540	5,400	6,860	15,780	58,793	76,077
Toronado	861	734	868	1,900	8,126	8,950
Pontiac Division	8,085	8,628	8,018	17,263	71,866	76,471
Acadian†	.....	272	530	612	1,237	3,613
2000	2,025	582	1,579	3,895	3,180	17,954
1000	1,315	229	1,168	2,891	1,578	9,465
Firebird	2,085	2,674	2,189	4,495	23,168	18,212
Phoenix	580	438	866	1,386	5,478	6,584
G. Prix/B'Ville ('83)	2,080	2,302	1,754	4,184	34,863	20,643
A6000	.....	1,131	.....	.....	2,262	.....
HONDA	700	.....	557	1,375	.....	4,798
VOLKSWAGEN	2,115	3,556	2,061	4,582	21,426	20,429
CHECKER	.....	100*	.....	.....	800*	.....
Total Cars, U. S.	126,076	119,988	119,236	270,617	917,570	1,269,562

CANADIAN CAR PRODUCTION

	Week Ended March 19, 1983	Week Ended March 20, 1982	Week Ended March 12, 1983	March to Date	Jan. 1 to March 20, 1982	Jan. 1 to March 19, 1983
AMERICAN MOTORS	648	610	.....	844	5,579	6,480
CHRYSLER CORP.	4,600	3,482	4,609	9,973	36,572	46,410
FORD MOTOR	5,953	8,655	48	5,111	45,013	39,214
GENERAL MOTORS	11,600	9,373	11,248	25,339	75,929	107,713
VOLVO	225	225	225	485	2,474	2,430
Total Cars, Canada	22,326	22,345	16,129	41,782	165,567	202,247
N. American Cars	150,402	142,333	135,365	312,379	1,083,137	1,471,809
N. American Trucks	57,976	55,613	57,341	127,141	491,772	538,030
North American Cars and Trucks	208,378	197,946	192,706	439,520	1,574,909	2,009,849

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

C2700-1
3/28/83

Automotive News

March 28, 1983

© Entire contents copyright, 1983, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

58th year—$40 per year, $1.00 per copy

Upcoming Dodge

Chrysler unveils minivan

This Dodge Caravan version of the Chrysler T-115, a 1984 model, was displayed last week to VIPs in Southern California. The Caravan holds seven people, has a carrying capacity within 100 pounds of a standard van and is eight inches lower for easier garageability. Story, more pictures on Page 6.

Japanese top U.S. makes in 1982 sales per dealer

By Jenny L. King
Staff Writer

Toyota, Honda and Nissan retained the first three spots in new-car sales per dealer in the U. S. market for 1982, an AUTOMOTIVE NEWS analysis discloses.

Oldsmobile topped the domestic makes but was in fourth place in the overall standings.

Six of the top ten spots were taken by imports. In addition to the three leaders, Mazda was seventh, Subaru was ninth and Volvo was 10th.

Other domestic makes in the top ten were Buick, fifth; Chevrolet, sixth, and Ford, eighth. The biggest surprise among the domestics in 1982 was provided by Buick, which moved ahead of Chevrolet.

Average sales of domestic units per new-car dealer climbed to 277 in 1982 from 275 in 1981. Import dealers averaged 191 new cars per outlet in 1982, up from 166 the preceding year.

The combined import-domestic figure was 316 per outlet last year and 328 in 1981.

The AUTOMOTIVE NEWS sales-per-outlet analysis defines all Volkswagen and all Renault passenger cars as domestics in 1982. Renault is a newcomer in this classification, following introduction and high sales volume of its U. S.-built Alliance. VW was reclassified for 1981 as a domestic.

• General Motors dealers sold an average of 338 units per outlet in 1982, down from 349 in 1981 and 367 in 1980. GM's record is 464, set back in the more-prosperous year of 1978.

Ford Motor Co. dealers came up with 243 sales per outlet last year, up from 236 in 1981. In 1980 their average was 237.

Chrysler Corp. outlets averaged 189 retail sales apiece in 1982, down from 193 in 1981. Two years ago, its dealer population averaged 163 sales each.

Volkswagen of America finished 1982 with 164 sales per franchised outlet, down substantially from 241 a year earlier. In 1981, VW was second best among the domestics; in '82, it dropped to fourth.

American Motors dealers, buoyed by Renault, rose to 96 sales per outlet in 1982 from 85 in 1981 and 88 in 1980.

Considering the U. S. makes separately, Oldsmobile again captured first place with its 254 sales per dealer. It was down

Continued on Page 54, Col. 4

SALES PER OUTLET

1982 Position			1981 Position
1—484	Toyota		528— 1
2—455	Honda		470— 2
3—428	Nissan		421— 3
4—254	Oldsmobile		263— 4
5—247	Buick		244— 6
6—238	Chevrolet		259— 5
7—213	Mazda		218— 8
8—197	Ford		197—10
9—195	Subaru		201— 9
10—185	Volvo		159—12
11—164	Volkswagen		241— 7
12—162	Pontiac		179—11
13—161	Mercedes		154—13
14—157	Cadillac		144—14
15—132	BMW		112—19
16—125	Mercury		127—16
17—108	Audi		118—18
18—105	Dodge		126—17
19— 98	Plymouth		129—15
20— 77	Isuzu		98—20
21— 66	Chrysler		35—26
22— 64	Lincoln		43—25
23— 60	Saab		47—24
24— 59	Mitsubishi		....
25— 53	AMC		85—21
26— 51	Renault		22—28
27— 49	Jaguar		20—29
28— 44	Porsche		35—26
29— 43	Peugeot		51—23
30— 30	Fiat		59—22
31— 17	Alfa Romeo		16—32
32— 16	Dodge Colt		19—30
33— 15	Plymouth Colt		19—30
34— 8	DeLorean		....
35— 6	Imperial		11—33
36— 6	Challenger		6—34
37— 5	Sapporo		6—34

breaking news

GM/Toyota begin labor talks

DETROIT.—General Motors and Toyota Motor Co. have begun preliminary talks on labor issues at GM's Fremont (Calif.) plant which is scheduled to build the joint venture's small cars. According to a UAW spokesperson, the union has been talking with GM, but "to my knowledge has not spoken to Toyota." GM Chairman Roger B. Smith said formal talks among all parties are expected to begin soon. But that cannot occur until the new joint venture company is formed, and that hinges on FTC approval. The two companies announced their joint venture on Feb. 14.

Ruckelshaus, auto nemesis, returns as EPA chief

WASHINGTON. — With William Ruckelshaus returning to head the EPA, auto makers will be dealing with the bureaucrat who held their feet to the fire on emission control when he headed the agency 10 years ago. Last week, EPA employes, mindful of those days, cheered wildly as he returned while Anne (Gorsuch) Burford holdovers like Kathleen Bennett, assistant administrator for air, noise and radiation, pondered their fate in the face of resignations they have been asked to submit.

Isuzu, GM join in Egyptian venture

CAIRO.—General Motors and its Japanese affiliate, Isuzu, will join with local interests to form a joint venture in Egypt to assemble Isuzu trucks and buses. Output is scheduled to begin in 1984, assembling knockdown kits at a rate of 1,400 a year, increasing to 18,000 units annually within five years, with 40 percent local content.

Diminutive

Microcar's 'no-door' ragtop for France

The Microcar, built by Jeanneau of France, will soon be available in that country in this no-door convertible model. A two-door hardtop has been built since 1981. The two-seat commuter rides on a 67-inch wheelbase, is available with 49-cc or 125-cc engines. It is not sold in the U. S. Jeanneau is a subsidiary of Bangor Punta, Greenwich, Conn. Story and another photo on Page 9.

The race to trace Swiss deposit may be near an end

The puzzle of DeLorean's missing $17.65 million

By Edward Lapham
Senior Editor
Copyright, 1983, Automotive News

Investigators from a number of camps are close to solving the greatest puzzle of the DeLorean sports car enterprise: What happened to the $17.65 million sent to Switzerland for R&D work but which never made it into the car project?

Potential puzzle-solvers, include the Creditors Committee of bankrupt DeLorean Motor Co.; the court-appointed examiner, Price Waterhouse & Co.; the Royal Ulster Constabulary, which has been investigating the DeLorean matter since December, and the joint receivers of the defunct Northern Ireland car-building subsidiary.

Also interested is the U. S. Internal Revenue Service, which has been investigating John DeLorean and his empire for possible tax fraud for several months. The center of that investigation involves his 1979 acquisition of a Utah company, which some investigators now believe was made with European funds originally paid to a Swiss bank account for R&D work on the sports car.

AUTOMOTIVE NEWS has uncovered new evidence which suggests the company which received the money, GPD Services, Inc., was created strictly for the purpose of being a conduit for those funds. In addition, one of the directors of GPD said there may be a link between John DeLorean and GPD.

DeLorean was unavailable for comment by press time.

The impending breakthrough in the solution of the GPD puzzle is in Geneva, where officials from the U. S. and the UK now believe a Swiss lawyer, Jacques Wittmer, has a complete record of the transactions of Swiss bank accounts into which the $17.65 million was paid.

The Creditors Committee of bankrupt DMC last week filed

Continued on Page 49, Col. 1

NEWSPAPER
AN JAN84
MD2081ACNGLIAO GE 31205 92001J
ACQ EDITOR
CONGRESSIONAL INFO SERV
SUITE 800
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

By end of 1985 instead of 1990

Chrysler due to repay guaranteed loans early

By Kathleen Hamilton
Financial Editor

Chrysler Corp. is planning on repaying its government-guaranteed loans by the end of 1985 instead of 1990, when they are due, according to the company's stock prospectus.

Chrysler was clearly aiming at an early repayment schedule for the $1.2 billion worth of government-backed loans when it announced in January a major recapitalization effort.

But the prospectus for the stock involved in the recapitalization provided the first indication of just how early Chrysler plans to get out from under the restrictive demands of the loan guarantees.

The prospectus notes the payment schedule is subject to change. It also discloses some interesting insights into Chrysler's short-term plans.

For example: New-product, product improvement and plant modernization expenditures for the 1982 through 1986 period are expected to total $6.6 billion. The year-by-year breakdown is $823 million in 1982, $1.5 billion in 1983, $1.4 billion in 1984, $1.7 billion in 1985 and $1.2 billion in 1986. By 1986, Chrysler says it plans to produce only front-drive cars.

Chrysler says about $3.8 billion of the $6.6 billion will be for capital expenditures and the rest ($2.8 billion) for R&D, launch and preproduction expenses.

• Most of the money will have to come from internal sources, since virtually all of Chrysler's assets have been pledged as collateral for government-backed or state-issued loans for the company's bailout. The loan guarantees will also prohibit Chrysler from incurring new debts after Dec. 31, 1983, unless certain tests are met.

Chrysler said it anticipates it will need a waiver of the loan-guarantee demand that it maintain $300 million in working capital during 1984. That is the year in which the company has to pay $228 million worth of deferred pension obligations.

Chrysler forecasted that its share of the U. S. car market will average 10.3 percent in the 1983-1986 period, compared with a 10.0-percent share last year. It predicted its U. S. truck share at 10.1 percent in 1983 and 13.6 percent by 1986. Its share last year was 9.5 percent.

Chrysler is to introduce the first minivan/wagon to this market in 1984, and is known to be developing a compact pickup, codenamed N-truck, similar to the Ford Ranger and Chevrolet S-10 but with a bigger bed.

It forecasted U. S. car sales of 8.3 million in 1983 and 10.2 million in 1986, compared with 1982's total of 7.9 million. Truck sales were forecast at 2.6 million in 1983 (about the same as last year) and 3.3 million in 1986.

Chrysler said it intends to buy about 150,000 engines in 1983 from Mitsubishi Motors Corp.—the Japanese firm in which it has a 15-percent stake.

Chrysler's purchases for resale from Mitsubishi totaled $644.8 million in 1982, compared with $809.5 million in 1981.

Chrysler is allocated 82,500 of the 112,584 Mitsubishi cars imported each year under quotas. The rest are sold through Mitsubishi's own dealer network. Beginning in the 1985 model year, Chrysler will be allowed to distribute all Mitsubishi models sold in the U. S.

Chrysler also reported it is talking with its other partner, Peugeot, on cooperative commercial and industrial projects, even though they no longer plan to jointly produce a small car for the U. S.

Chrysler also will purchase constant velocity joints, 1.6-liter gasoline engines and 1.9-liter diesels from Peugeot.

• Chrysler paid $6.6 billion to suppliers in 1982, compared with $7.7 billion in 1981. It has more than 14,000 unaffiliated suppliers in the U. S. and Canada.

About 46 percent of Chrysler's manufacturing and assembly space in the U. S. is in the Detroit area — something that becomes more important as the Japanese just-in-time inventory system is implemented.

Chrysler reported its inventory level at the end of 1982 was $1.13 billion, compared with $1.60 billion at the end of 1981 and $1.87 billion at the end of 1979.

Meanwhile, its accounts receivable were reduced from $610 million at the end of 1979 to $248 million at the end of last year. Its breakeven point for profitability in the U. S. and Canada has been about halved since 1980, when it was 2.3 million vehicles. In 1982, the breakeven point was 1.1 million, where it is expected to stay.

Dealer profitability has also been increased substantially. Chrysler estimates 77 percent of its dealers were profitable in 1982, compared with 65 percent in 1981 and 52 percent in 1980.

Chrysler Realty Corp. owns more than 330 dealerships and has leases on 110 more. These dealerships accounted for 30 percent of Chrysler's car and truck sales in the U. S. in 1982. They had 46 percent of the sales in the top 200 U. S. markets.

They also turned in substantial losses (almost $11 million) during 1982. Still, those stores cut their losses by $13.9 million during 1982.

The prospectus also noted Prudential Insurance Co. of America would own 4.94 million shares of common stock, or 4.3 percent of Chrysler total, if the recapitalization plan is approved by all parties.

Annual fee for serving as a Chrysler outside director was increased last year from $5,000 to $15,000. Additional fees are paid per meeting and for serving on committees, but these have not changed.

• Cash remuneration in 1982 for Chairman Lee A. Iacocca was $365,676, up less than one percent from 1981. As of March 14, he owned 65,200 shares of Chrysler common stock and had an option to buy 500,000 more at prices ranging from $9.88 to $11.07 per share.

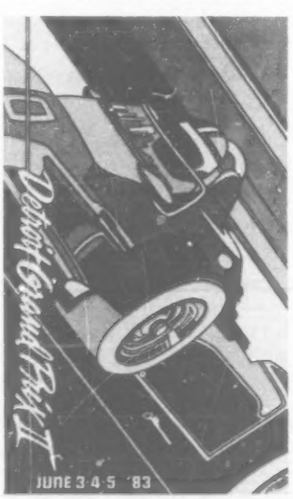
Vice Chairman Gerald Greenwald received $252,352 in salary and payments from Chrysler in 1982, an increase of 7.6 percent. He held 10,900 shares of common stock on March 14 and had an option to acquire 121,000 more at prices ranging from $6.25 to $9.88 per share.

Remuneration for H. K. Sperlich, president of North American Automotive Operations, rose 7.0 percent to $255,470. His common-stock holdings were 24,400 shares, and he had an option to buy 50,000 more at prices ranging from $9.07 to $18.63 per share.

Remuneration for Stephan Sharf, executive vice president-manufacturing, rose 19.4 percent to $229,180. He owned 28,150 shares of common stock and had an option on 5,000 more priced between $15.07 and $18.63.

Remuneration for John B. Naughton, executive vice president - sales and marketing, rose 2.8 percent to $200,725. He owned 6,207 common shares and had an option to purchase 47,000 more at prices ranging from $6.25 to $8.82 per share.

Taken together, the payments and salaries for all Chrysler directors fell fractionally to $5.14 million. UAW President Douglas Fraser was the only Chrysler director without any stock holdings in the company.



Grand Prix poster

The 1983 Detroit Grand Prix poster was designed by Joseph Grey II, senior art director at Campbell - Ewald, who used an 18 - color silk screen. The event will be held June 3-5.

General Dynamics appoints Truxell

DETROIT.—Robert W. Truxell has been appointed vice president and general manager of the Land Systems Division of General Dynamics Corp.

Land Systems, formerly Chrysler Defense, Inc., builds tanks for the U. S. Army.

Truxell recently resigned as vice president and general manager of the General Motors Truck & Bus Group's Manufacturing Division.

Straman's Silver Spirit

Richard Straman, a designer from Costa Mesa, Calif., unveils his latest creation—a Rolls-Royce Silver Spirit convertible. Straman offers this Silver Spirit for $220,000.

Car sales down 5 pct. from year-ago period

By Jenny L. King
Staff Writer

Domestic new-car sales in mid-March missed their year-ago mark by some 9,000 units but were up almost 8 percent from the first 10 days of the month. General Motors reported its best 10-day total so far this calendar year.

March 11-20 sales numbered 173,525, down 4.99 percent from 182,639 in 1982. The 1983 mid-month figure was up 7.70 percent from the early-March total of 161,117.

On a daily-rate basis, however, sales were up 6.89 percent to 21,691 this year compared with 20.293 per selling day in 1982. There were eight days in the period this year, nine a year ago.

This was the softest total for March 11-20 since 1961, when 134,605 new cars were retailed.

Year-to-date sales reached 1,191,261, up 2.32 percent from 1,164,253 last year.

General Motors had its best 10 days of 1983. Its sales numbered 108,442, down 3.78 percent from 112,700 last year (but up 8.25 percent daily rate). Ford Motor Co. sales dropped 16.31 percent, to 36,000 from 43,015 (down 5.84 percent daily rate).

Chrysler Corp. reported a 5.97-percent sales increase, climbing to 22,329 from 21,252 (up 18.22 percent daily rate).

American Motors, which now reports estimated 10-day sales, said its dealers sold about 4,750 new passenger cars, up 69.64 percent from the year-ago AUTOMOTIVE NEWS estimate of 2,800 (up 91.00 percent daily rate).

Volkswagen of America's Rabbit sales totaled 1,604, down 44.15 percent from 2,872 (down 37.30 percent daily rate), and estimated sales of U. S.-built Honda Accords reached 400.

• GM cornered 62.49 percent of the mid-month market, up from 61.71 percent a year earlier. Ford slipped to 20.75 percent from 23.55 percent. Chrysler earned 12.87 percent, up from 11.64 percent. AMC had 2.74 percent, compared with 1.53 percent; VWoA claimed just 0.92 percent, down from 1.57 percent, and Honda picked up the remaining 0.23 percent of this year's market.

Ford Escort was the number-one nameplate in mid-March, with sales of 8,041. It was followed by full-size Chevrolet at 7,401, Oldsmobile 88 at 6,024, Chevrolet Cavalier at 5,929 and Chevrolet Chevette at 5,675.

Annualized domestic sales for 1983 based on the March 11-20 performance moved at a rate to total 5,761,000.

Currency changes in Europe leave U.S. prices stable

DETROIT. — Last week's revaluation of European currencies is expected to have no effect on import-auto prices in the U. S. and little impact on importers' costs.

A survey of major German and French auto importers revealed unanimous agreement on the topic.

Even with the upward valuation of the German mark and the devaluation of the French franc, importers said the exchange rates with the dollar are expected to remain within the range previously forecast.

Jean-Marc Lepeu, American Motors finance vice president, noted that gains his company could have made because of the weakening franc have been offset by the higher French inflation rate.

As part of the currency realignment, the French government promised to institute policies expected to reduce that inflation rate.

DOMESTIC SALES

	March 11-20, 1983	March 11-20, 1982
AMERICAN MOTORS	4,750†	2,800†
Chrysler	6,667	4,280
Imperial	72	73
Plymouth	7,752	8,393
Dodge	7,838	8,506
CHRYSLER CORP.	22,329	21,252
Ford	23,821	29,824
Mercury	9,283	10,838
Lincoln	2,896	2,353
FORD MOTOR	36,000	43,015
Buick	26,116	25,878
Cadillac	8,476	6,493
Chevrolet	37,887	38,104
Oldsmobile	23,742	26,701
Pontiac	12,221	15,524
GENERAL MOTORS	108,442	112,700
VOLKSWAGEN	1,604	2,872
HONDA	400†	
U.S. INDUSTRY TOTAL	173,525	182,639

† Estimate.

index

Auction reports	34, 43
Automotive World News	29
Classified advertising	38
Editorial page	12
Engineering	18
Production by makes	55
Truck highlights	20

58th year — No. 4960

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson Avenue, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.